THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRY (SMT. KRISHNA SAHI) : (a) On the basis of Index of Industrial Production compiled by CSO the index for 1990-91, 1991-92, 1992-93 and April-October 1993-94 is 212.6, 212.5, 216.3 and 209.8 respectively.

(b) The rates of growth during 1991-92, 1992-93 and April—October, 1993-94 are 0.0%, 1.8% and 1.6% respectively.

(c) During 1991-92 manufacturing sector showed a growth rate lower than that in the overall. In 1992-93 and April-October 1993-94 both the manufacturing and mining sector showed lower rates of growth than that in the overall industrial sector.

(d) The policy initiatives taken by the Government since July, 1991 and the measures taken in the subsequent Union Budgets and proposed in the Union Budget 1994-95 have aimed at accelerating the overall industrial production. These include rationalisation and simplification of tariff structure, reduction in customs and excise duties, rationalisation & reduction in corporate tax, extension of benefit of Modvat to capital goods and reduction of minimum lending rates on commercial advances.

Resource crunch faced by small scale industries

1386. SHRI AHMED MOHMEDBHAI PATEL :
SHRI SURESH PACHOURI :

Will the PRIME MINISTER be pleased to state :

(a) whether Government are aware that small scale industries are facing great resource crunch and have been discriminated against big industrialists;

(b) whether they have also submitted a memorandum to Government and have suggested to create a level playing field for SSIs against large and medium industries in respect of the provision of raw materials, credit and infrastructural facilities;

(c) whether Government have considered these views and are likely to announce broad SSI policy package;

(d) if so, by when the final decision for announcing the policy is likely to be taken; and

(e) to what extent the SSIs will be helped by this policy ?

THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRY (SHRI M. ARUNACHALAM) : (a) Government are aware that small scale industries have not been getting its due share in the institutional finance particularly for its working capital requirements. According to the Nayak Committe which examined the credit requirements of small scale sector, the SSI Sector got only 8.1 per cent (as against 20% of its normative requirement) of its output as working capital from the banking system.

(b) Government have received a number of representations suggesting supply of adequate and timely credit to small scale sector and also improved infrastructural facilities.

(c) to (e) Government in the policy measures announced on 6th August, 1991 have already envisaged various facilities for small scale industries for credit, infrastructure facilities etc. In the area of credit, Reserve Bank of India vide its circulars dated 17th April, 1993 and 3rd July, 1993 have announced a special package of measures to ensure adequate and timely credit to small scale sector, the salient feature of which, inter-alia, include :

(i) Henceforth, village, tiny industries and other SSI units having aggregate fund based working capital credit limits upto Rupees One crore from the banking system may be provided working capital limits computed on the basis of a minimum of 20% of their projected annual turnover for new as well as existing units.

(ii) Procedure and time-frame laid down for disposal of loan applications received from SSI borrowers should be strictly enforced.

A scheme for integrated infrastructural development for small scale industries in rural and backward areas has also been formulated.

In view of above, there is no proposal to introduce a new broad SSI Policy package.

Status of industry to some business

1387. SHRI RAJUBHAI A. PARMAR : Will the PRIME MINISTER be pleased to state :

(a) whether it is a fact that some trades or business enjoy the specific status of "Industry